



## FISCAL MEMORANDUM

### SB 681 - HB 774

March 9, 2023

**SUMMARY OF BILL AS AMENDED (005232):** Enacts the *Protecting Tennessee Businesses and Workers Act*. Prohibits a local government from adopting or enforcing certain policies that regulate or impose requirements upon an employer pertaining to hours worked, scheduling, or employee output, except as otherwise provided by state or federal law. Authorizes a local government to adopt or enforce such policies for its own employees and for the provision of services.

Prohibits a local government from: (1) imposing a wage or employment benefit mandate on a private employer as a condition of doing business within its jurisdiction; (2) seeking to control or affect, through its purchasing or contracting procedures, wages or employment benefits provided by parties doing business with the local government; and (3) awarding preferences on the basis of wages or employment benefits provided by such third parties. Preempts all additional wage or employment benefit mandates imposed on private employers, unless required by state or federal law.

Clarifies that a local government may offer its own employees wage and employment benefits.

### FISCAL IMPACT OF BILL AS AMENDED:

#### NOT SIGNIFICANT

Assumptions for the bill as amended:

- To date, there has been no policy adopted or enforced by a local government to regulate or impose requirements upon private employers pertaining to hours worked, scheduling, or employee output; therefore, any prohibition will not have a significant fiscal impact on state or local government.
- Authorizing a local government to adopt such policies for its own employees or for the provision of services is not expected to have any significant fiscal impact on local government.
- To date, no local governments have imposed wage or employment benefit mandates on private employers in excess of current federal and state laws or as a condition of doing business within the jurisdiction.
- Prohibiting additional wage or employment benefit mandates will not result in any significant fiscal impact to state or local government.

- Prohibiting a local government from seeking to affect the wages or employment benefits of a party doing business with the entity or from awarding preferences based on wages and benefits provided by such party will have no significant fiscal impact to state or local government.
- Clarifying that a local government may offer its own employees wage and employment benefits will not result in any significant impact to local government expenditures.

**IMPACT TO COMMERCE OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumption:

- Any impact to jobs or commerce in Tennessee by establishing such prohibition on local government regulation is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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